

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1318**

Introduced by Hartnett, 45

Read first time January 19, 2000

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to interest, loans, and debt; to amend sections
- 2 45-101.03, 45-102, and 45-104, Reissue Revised Statutes
- 3 of Nebraska; to change provisions relating to interest
- 4 and debt; and to repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

1                   Section 1.   Section 45-101.03, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3                   45-101.03. (1) Except as provided in section 45-101.04,  
4 any rate of interest which may be agreed upon, not exceeding  
5 sixteen percent per annum on the unpaid principal balance, shall be  
6 valid upon any loan ~~or forbearance~~ of money, goods, or things in  
7 action which are the subject of forbearance by the creditor and may  
8 be taken yearly, for any shorter period, or in advance, if so  
9 expressly agreed.

10                  (2) Such rate of interest so long as it does not violate  
11 sections 45-101.02 to 45-113 or any federal usury law may be  
12 charged on a variable rate basis, except that if the lender  
13 proposes to increase the interest rate during the term of a loan on  
14 consumer goods notice of such proposed increase shall be  
15 communicated in writing to the person or persons primarily  
16 obligated on such loan at least ten days prior to the proposed  
17 increase. Deposit of such notice in the United States mails,  
18 postage prepaid, shall be deemed communication for the purpose of  
19 this section.

20                  Sec. 2.   Section 45-102, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22                  45-102. ~~Interest~~ Except as otherwise provided in section  
23 45-104, interest upon the loan ~~or forbearance~~ of money, goods, or  
24 things in action which are the subject of forbearance by the  
25 creditor shall be at the rate of ~~twelve percent per annum for the~~  
26 ~~period commencing on March 19, 1980, through August 31, 1983, and~~  
27 ~~at the rate of six percent per annum commencing on September 1,~~  
28 ~~1983,~~ on the unpaid principal balance, unless a greater rate, not

1 exceeding the rate of interest provided in section 45-101.03, be  
2 contracted for by the parties.

3           Sec. 3.     Section 45-104, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           45-104.    Unless otherwise agreed, interest shall be  
6 allowed at the rate of twelve percent per annum (a) on money due on  
7 any instrument in writing, ~~or on settlement of the account from the~~  
8 ~~day the balance shall be agreed upon,~~ (b) on money received to the  
9 use of another and retained without the owner's consent, express or  
10 implied, from the receipt thereof, ~~and~~ (c) on money loaned or due  
11 and withheld by unreasonable delay of payment, or (d) on the  
12 settlement of an account from the day the balance shall be agreed  
13 upon. Unless otherwise agreed or provided by law, each charge with  
14 respect to unsettled accounts between parties shall bear interest  
15 from the date of billing unless paid within thirty days ~~from~~ after  
16 the date of billing.

17           Sec. 4.    Original sections 45-101.03, 45-102, and 45-104,  
18 Reissue Revised Statutes of Nebraska, are repealed.